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# Payments Valuations: Q3 2026

AUGUST 2026

Windsor Drake · Market Intelligence

# Executive Summary: Who Sets the Price, and Who Takes It

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## A 4.3x Spread Inside One Sector

Windsor Drake's 14-company payments comparable set carries a median **2.7x** EV/ Revenue and a constituent range of **1.4x to 15.4x**.

- Visa clears **15.4x** and Marqeta clears **1.4x**, on the same day.
- The interquartile band is **2.0x to 6.2x**, three times wide.
- No single payments multiple describes this market honestly.
- The composite is the least useful number on this page.

## The Closed Loop Premium

The divide is not size, growth or geography. It is whether the business sets the rules of its own economic loop or intermediates someone else's.

- Closed-loop and own-rules assets clear an **8.6x** median.
- Open-loop intermediaries clear **2.0x**.
- That is a **4.3x** premium for owning the loop rather than renting it.
- Position is structural and slow to change, which is why it is worth knowing early.

## The Core Is Being Repriced

Core acquiring is decelerating while the services layer around it compounds.

- US core acquiring revenue growth fell from a **12%** CAGR to a projected **7%** (BCG).
- Value-added services grow **15% to 20%**, embedded finance **20% to 30%** (BCG).
- By 2027 services reach **60% to 70%** of US acquirer revenue mix.
- Global payments revenue growth decelerated from 12% to **4%** in 2024 (McKinsey).

## Buyers Are Paying, and Disclosing

Payments is the rare fintech sub-sector where large transactions carry published multiples.

- Global Payments acquired Worldpay at **8.5x** synergised EBITDA.
- FIS acquired Issuer Solutions at a disclosed **9x** synergised EBITDA.
- The seller described the same asset at **12.3x** adjusted EBITDA.
- **$19.2B** of payments investment across 542 deals in 2025 (KPMG).

Source: Windsor Drake analysis of public market data, 17 August 2026. All 14 constituents named in the appendix.

# Key Takeaways for Payments Founders

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## 1. Establish Whether You Own a Loop

The Closed Loop Premium is the first question a payments seller should answer, because it sets the multiple band before any negotiation begins.

- Closed-loop assets clear **8.6x**; open-loop intermediaries clear **2.0x**.
- Owning both sides of a transaction, or the rules governing it, is what the premium pays for.

## 2. Processing Revenue Is the Wrong Thing to Grow

Core acquiring is decelerating from a 12% to a 7% CAGR while the services layer compounds two to four times faster.

- Value-added services grow 15% to 20%; embedded finance 20% to 30% (BCG).
- Revenue mix, not revenue growth, is what re-rates a payments asset.

## 3. The PayFac Decision Is a Valuation Decision

A software platform referring payments keeps 30% to 50% of processing revenue. The same platform as a payment facilitator keeps 70% to 90% (McKinsey).

- The economics roughly double for the same transaction flow.
- US ISV payments revenue reached **$16B** in 2025, from $6.5B in 2020.

## 4. The Same Asset Was Quoted at 9x and 12.3x

FIS described Issuer Solutions at 9x synergised EBITDA. Global Payments described the identical business at 12.3x adjusted EBITDA. Both disclosures are accurate.

- A multiple is a claim about a denominator, not a fact.
- A seller who does not control the denominator has already conceded the number.

## 5. Stablecoins Are a Strategy Risk, Not Yet a Revenue Risk

Genuine stablecoin payment volume reached about $390 billion in 2025, roughly 0.02% of global payments (McKinsey).

- Headline figures of $35 trillion are trading and protocol activity, not payments.
- The acquisition activity is real even where the volume is not: Mastercard bought BVNK for up to $1.8B.

Source: Windsor Drake analysis of public market data, 17 August 2026. All 14 constituents named in the appendix.

# Founder FAQs

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### 1 What multiple do payments companies sell for in 2026?

Windsor Drake's 14-company public comparable set carries a median 2.7x EV/Revenue as of 17 August 2026, with an interquartile range of 2.0x to 6.2x. The range across constituents runs from 1.4x to 15.4x, so the median is a weak guide on its own.

### 2 Why is Visa worth ten times more per revenue dollar than Fiserv?

Visa sets the rules of a network it owns and charges for access to it. Fiserv processes volume across networks it does not control and competes largely on price. Closed-loop assets clear an 8.6x median against 2.0x for open-loop intermediaries.

### 3 What EBITDA multiples were actually paid in payments recently?

Global Payments acquired Worldpay at a disclosed 8.5x adjusted EBITDA including run-rate synergies. FIS acquired Global Payments' Issuer Solutions business at a disclosed 9x expected synergised EBITDA, an asset the seller separately described at 12.3x adjusted EBITDA.

### 4 Does becoming a payment facilitator increase what my company is worth?

It changes the economics materially. McKinsey puts ISV referral arrangements at 30% to 50% of processing revenue and the payment facilitator model at 70% to 90%, for the same underlying transaction flow. Higher-retention revenue on an owned relationship is what the premium band rewards.

### 5 Are stablecoins a threat to payments valuations?

Not yet on volume. Genuine stablecoin payment activity was roughly $390 billion in 2025, about 0.02% of global payments, against headline figures of up to $35 trillion that mostly reflect trading. Incumbents are acquiring anyway: Visa settled $3.5 billion annualised in stablecoins and Mastercard acquired BVNK.

### 6 How many payments deals disclose a valuation multiple?

Very few at the middle-market end. Five of the 111 payments transactions in the Windsor Drake Exit Index carry a disclosed revenue multiple. The large public transactions disclose EBITDA multiples; the deals a founder is more likely to run do not.

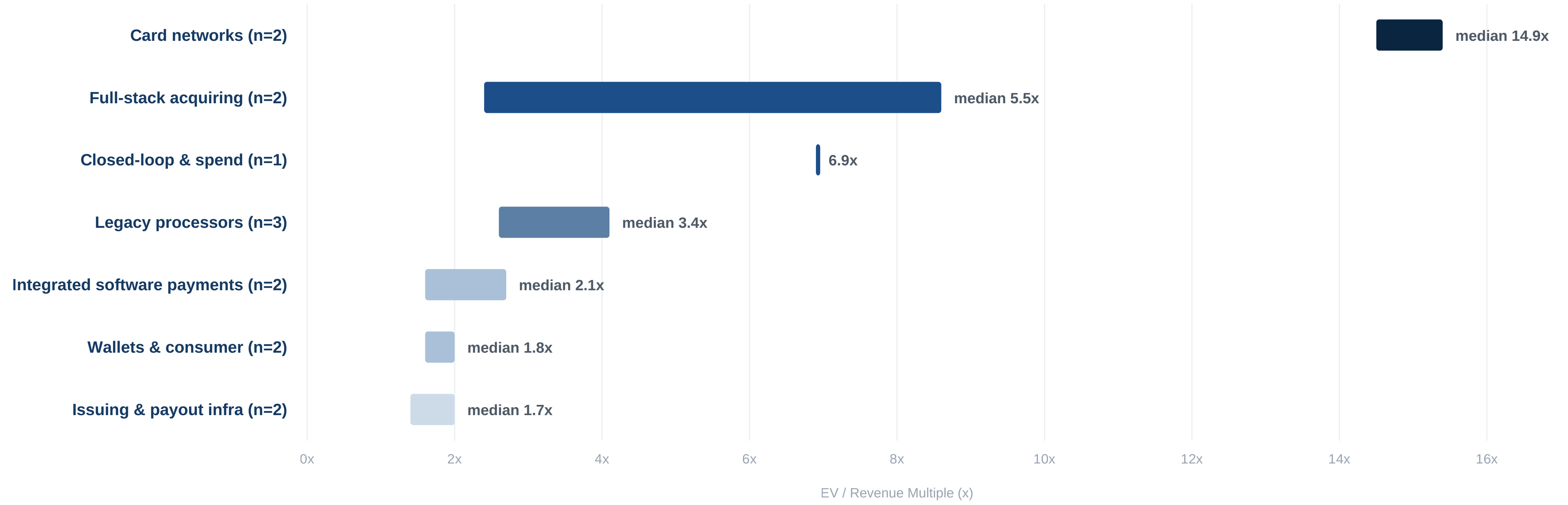
### 7 What is happening to merchant acquiring margins?

They are compressing. BCG puts US core acquiring revenue growth at a 12% CAGR falling to a projected 7%, while the services layer around it grows three times faster. By 2027 value-added services and embedded finance are projected to reach 60% to 70% of US acquirer revenue mix.

Source: Windsor Drake analysis of public market data, 17 August 2026. All 14 constituents named in the appendix.

# The Closed Loop Premium

EV/Revenue by payments business model. Full constituent range shown. Windsor Drake analysis, 17 August 2026.




### OWN THE LOOP, OR INTERMEDIATE SOMEONE ELSE'S

Group the set by whether the business controls the rules of its own economic loop and the picture resolves: closed-loop and own-rules assets clear an **8.6x** median against **2.0x** for open-loop intermediaries, a **4.3x** premium. Segments with one or two constituents are shown with their count and should not be read as market-wide.

Source: Windsor Drake analysis of public market data, 17 August 2026. All 14 constituents named in the appendix.

# The Payments Distribution, Company by Company

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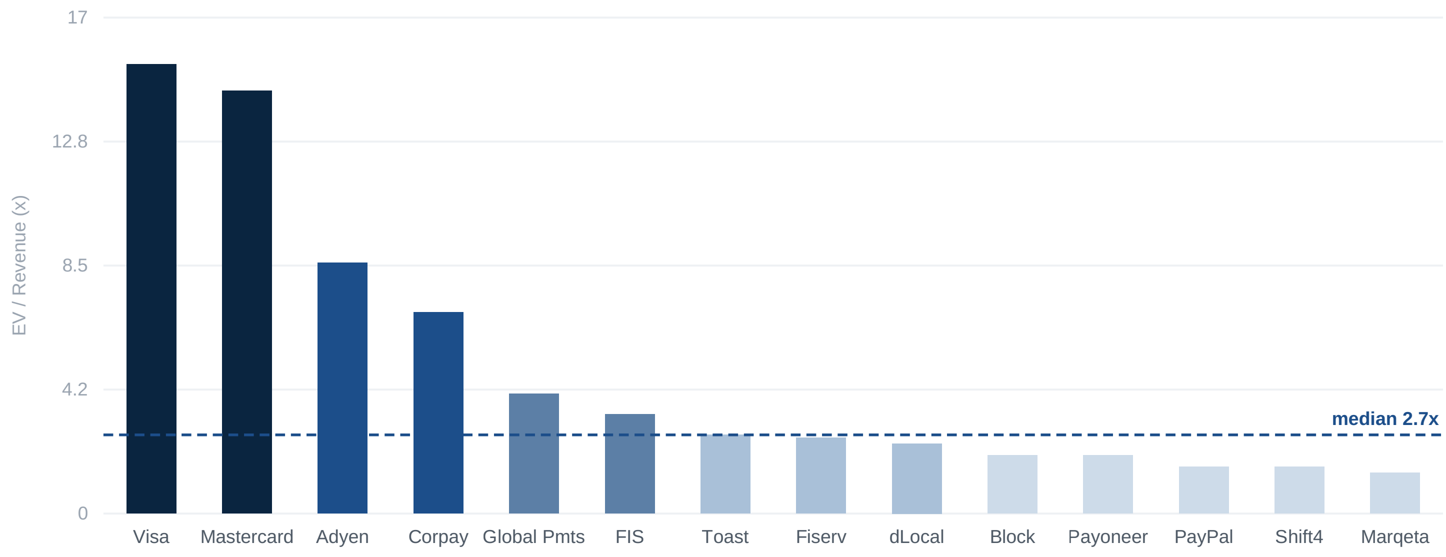
Every constituent in the set, ranked. The spread inside payments is wider than the spread between most sectors.

EV / Revenue, 17 August 2026




MEDIAN

**2.7x**

Across 14 constituents with a meaningful revenue denominator.

INTERQUARTILE RANGE

**2.0x to 6.2x**

Half the set clears inside this band.

FULL RANGE

**1.4x to 15.4x**

An eleven-fold spread within a single sub-sector.

CLOSED VS OPEN LOOP

**8.6x vs 2.0x**

The premium for owning the rules rather than renting them.

> Scale does not explain the ranking. PayPal carries $34.1B of revenue at 1.6x; Adyen carries $3.0B at 8.6x.

Source: Windsor Drake analysis of public market data, 17 August 2026. All 14 constituents named in the appendix.

# What Earns the Premium in Payments

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## Rule-setting, not price-taking

**The top of the distribution is occupied by businesses that set the terms on which others transact.**

- Visa **15.4x** and Mastercard **14.5x** set scheme fees rather than negotiate them.
- The UK regulator found the schemes face no effective competition on fees.
- Regulated US debit interchange has been flat at $0.22 since 2011; exempt fees rose to $0.61.
- Pricing power upstream survives competition downstream.
- Capital One paid $35.3B for Discover to own a network.

## Owning the merchant relationship

**Adyen at 8.6x runs a single stack and holds the merchant directly. dLocal at 2.4x runs cross-border rails it does not own.**

- Direct relationships resist take-rate compression.
- Referral and reseller economics do not re-rate with scale.
- The PayFac model retains 70% to 90% of processing revenue against 30% to 50% for referral (McKinsey).
- US ISV payments revenue grew from $6.5B to $16B in five years.
- US SME adoption of ISV solutions reached about 90%.

## Revenue mix over revenue growth

**The market is repricing what kind of revenue a payments company earns, not how fast it earns it.**

- Core acquiring decelerating from a 12% to a 7% CAGR (BCG).
- Value-added services growing 15% to 20%.
- Embedded financial services growing 20% to 30%.
- Services projected at 60% to 70% of US acquirer revenue by 2027.
- Core acquiring falls to 20% to 25% of the mix.

## A denominator you control

**Block reports gross bitcoin revenue; the resulting 2.0x tells you more about revenue recognition than about the business.**

- Gross-basis revenue depresses the multiple mechanically.
- Buyers discount denominators they have to reconstruct.
- The same Issuer Solutions asset was quoted at 9x and 12.3x on different EBITDA bases.
- Define the denominator before a process, not during one.
- Net revenue is the only comparable basis across acquirers.

Source: Windsor Drake analysis of public market data, 17 August 2026. All 14 constituents named in the appendix.

# The Core Is Decelerating, the Edges Are Not

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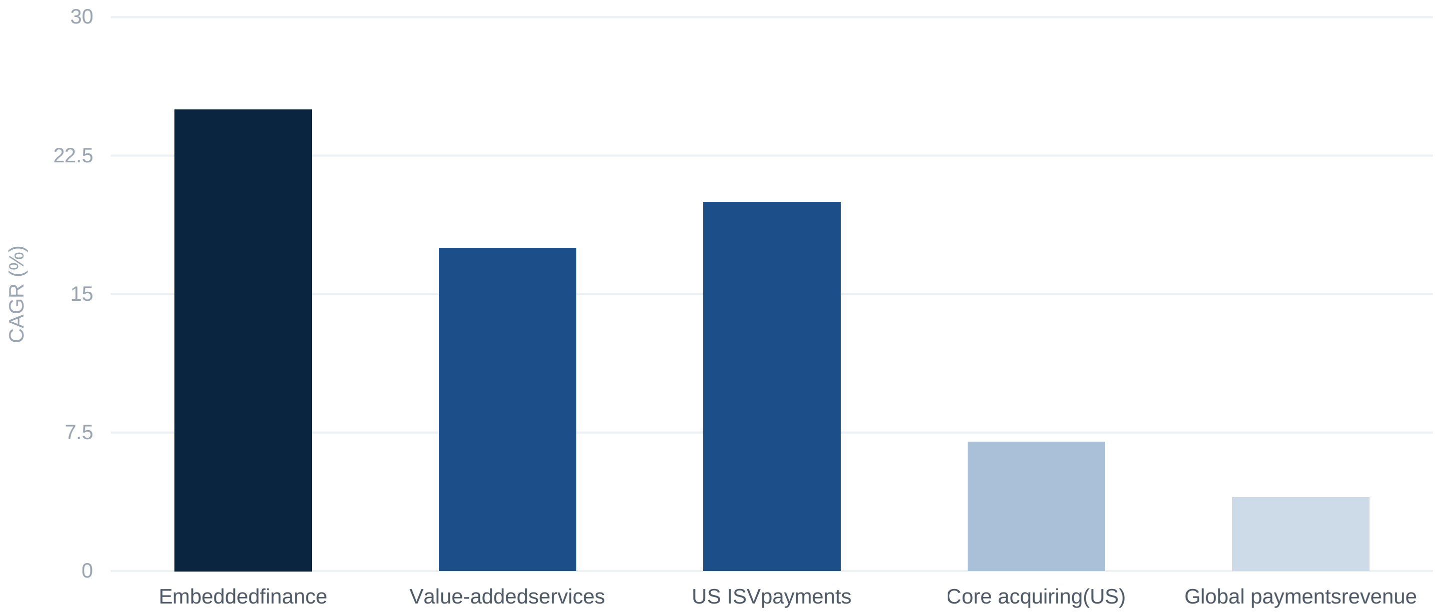
Revenue growth by layer. The gap between core processing and the services around it is the central economic fact in payments today.

Projected revenue CAGR by layer, 2023 to 2027




GLOBAL PAYMENTS REVENUE

**$2.5T**

2024, forecast to $3.0T by 2029 at a 4% CAGR (McKinsey).

GROWTH DECELERATION

**12% to 4%**

Revenue growth rate, 2023 to 2024 (McKinsey).

US ISV PAYMENTS REVENUE

**$16B**

2025, up from $6.5B in 2020, a 20% CAGR (McKinsey).

SERVICES SHARE BY 2027

**60-70%**

Of US acquirer revenue mix, with core falling to 20-25% (BCG).

> Midpoints shown where a source publishes a range. Embedded finance 20-30%, value-added services 15-20%.

Sources: McKinsey Global Payments Report 2025; BCG merchant services research. See appendix.

# What Buyers Actually Paid, and Disclosed

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Payments is the rare sub-sector where large transactions publish multiples. Every figure below is company-disclosed.

| Transaction | Value | Disclosed multiple | The read |
|---|---|---|---|
| **Global Payments / Worldpay** | **$24.25B**<br>Closed Jan 2026 | **8.5x EBITDA**<br>Adjusted, net, inclusive of run-rate synergies | **Scale as defence**<br>$3.7T annual volume, 6m merchant locations, $600m cost synergy target. |
| **FIS / GPN Issuer Solutions** | **$13.5B**<br>Closed Jan 2026 | **9x vs 12.3x**<br>Buyer said 9x synergised; seller said 12.3x adjusted | **One asset, two numbers**<br>Both accurate. The denominator, not the asset, moved the multiple by 37%. |
| **FIS / Worldpay stake** | **$6.6B**<br>45% minority | **10.5x EBITDA**<br>Expected 2025, FIS-stated | **Minority priced above control**<br>A reminder that headline multiples carry structure as well as value. |
| **Capital One / Discover** | **$35.3B**<br>Closed May 2025 | **Not disclosed**<br>All-stock, 26.6% premium to undisturbed | **An issuer buys a network**<br>The clearest possible statement of what loop ownership is worth. |
| **Mastercard / BVNK** | **up to $1.8B**<br>Mar 2026 | **Not disclosed**<br>Includes $300m contingent | **Buying the next rail**<br>Stablecoin settlement folded into the network before the volume exists. |

Sources: Global Payments, FIS, Capital One and Mastercard announcements and SEC filings. See appendix.

# Who Is Buying Payments Assets

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Three distinct buyer motives are active at once, and they pay for different things.

## Scale consolidators

Global Payments and FIS executed a simultaneous swap in January 2026: Global Payments took Worldpay at 8.5x while divesting Issuer Solutions to FIS at 9x. Both are buying scale as a defence against take-rate compression, and both disclosed the arithmetic.

## Networks buying the next layer

Visa acquired BioCatch for $2.4B and settled $3.5B annualised in stablecoins. Mastercard acquired BVNK for up to $1.8B. Neither is buying volume. Both are buying the infrastructure that sits beside the rail before someone else owns it.

## Issuers buying loops

Capital One acquired Discover for $35.3B and closed in May 2025, then acquired Brex for $5.15B in 2026. An issuer buying a network is the purest expression of the Closed Loop Premium available in the public record.

| $19.2B | 542 | 111 |
|---|---|---|
| PAYMENTS INVESTMENT, 2025 | DEALS, DOWN FROM 655 | PAYMENTS DEALS IN THE EXIT INDEX |

Sources: KPMG Pulse of Fintech H2 2025; Windsor Drake Exit Index; company announcements.

### Strategic dominance

63 of the 69 classified payments acquirers in the Windsor Drake Exit Index are strategics. Sponsors are the exception in this sub-sector, not the rule.

### Repeat buyers

Visa appears three times in the index cohort; Fiserv, PayTabs and GSTechnologies twice each. Serial acquirers are the highest-probability counterparties in a process.

### Deal count is falling

542 payments deals in 2025 against 655 in 2024, while value held. Capital is concentrating on larger assets (KPMG).

### What this means for a buyer list

Rank by demonstrated appetite for your loop position, not by buyer type. The scale consolidators and the networks want different things.

# Regulation Is Repricing the Loop

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## US debit interchange

**Regulation II has held covered debit interchange flat at $0.22 per dual-message transaction since 2011.**

- Exempt small-issuer fees rose from $0.53 to **$0.61** over the same period.
- The statutory cap is $0.21 plus 0.05% plus a $0.01 fraud adjustment.
- The cap remains codified in 12 CFR Part 235 as of August 2026.
- Litigation on Reg II is live; treat the cap as contested but in force.
- Issuer economics, not acquirer economics, carry this risk.

## UK scheme fees

**The Payment Systems Regulator found Visa and Mastercard “don't face competition, with fees rising” in its December 2025 action.**

- Remedies cover fee transparency and pricing governance.
- Enhanced regulatory financial reporting consults in spring 2026.
- The proposed cross-border interchange cap was abandoned in October 2025.
- Scheme pricing power is under scrutiny but not yet capped.
- Post-Brexit cross-border fees had risen roughly fivefold.

## Stablecoin settlement

**The GENIUS Act, signed July 2025, created the first US federal framework for payment stablecoins.**

- 100% reserve backing with monthly public disclosure.
- Issuers subject to Bank Secrecy Act and AML obligations.
- Holders receive priority claim in issuer insolvency.
- The BIS has separately warned stablecoins fall short on the singleness of money.
- Citi projects $1.9T of issuance by 2030 in its base case.

## Open banking and PSD3

**Both major open-banking regimes are in flux, which delays the account-to-account threat to card economics.**

- CFPB is reconsidering the Section 1033 rule; compliance dates stayed to 30 June 2026.
- EU PSD3 reached provisional political agreement in November 2025.
- Formal adoption is still pending.
- Card economics face less near-term regulatory pressure than the 2024 consensus assumed.
- Account-to-account displacement is delayed, not cancelled.

Sources: Federal Reserve; UK Payment Systems Regulator; Federal Register; European Parliament; BIS. See appendix.

# Stablecoins: The Volume and the Headline

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The gap between reported and genuine stablecoin payment activity is roughly ninety-fold, and it matters for how a payments asset should be positioned.

## What the raw numbers miss

Headline stablecoin volume of up to $35 trillion in 2025 is dominated by exchange, custodial, trading and protocol activity. McKinsey puts genuine payment volume at about **$390 billion**, roughly **0.02%** of global payments.

## Where the real volume sits

B2B payments account for about $226 billion of that, up 733% year on year and roughly 60% of genuine stablecoin payment activity. Remittances and payroll add $90 billion. Card-linked stablecoin spending is $4.5 billion. Asia is 60% of the total.

## Why incumbents are buying anyway

Visa reached a $3.5 billion annualised stablecoin settlement run rate and is a design partner on Circle's Arc chain. Mastercard acquired BVNK. J.P. Morgan's Kinexys has processed over $3 trillion since inception. The rail is being built before the volume arrives.

| $390B | 0.02% | $3.5B |
|---|---|---|
| GENUINE PAYMENT VOLUME, 2025 | OF GLOBAL PAYMENTS | VISA STABLECOIN SETTLEMENT, ANNUALISED |

### The seller's read

Stablecoin exposure is not yet a revenue story. It is a narrative asset in a process, and only if it is real.

### Citi's forecast

Base case $1.9 trillion of stablecoin issuance by 2030, bull case $4.0 trillion, from roughly $280 billion in mid-2025.

### The regulatory anchor

The GENIUS Act gives issuers a framework. The BIS argues public permissionless designs fail the singleness test.

### What not to claim

Quoting gross on-chain volume as addressable payments market is the fastest way to lose credibility in diligence.

Sources: McKinsey; Visa; Citi; J.P. Morgan; BIS. See appendix.

# Payments in the Windsor Drake Exit Index

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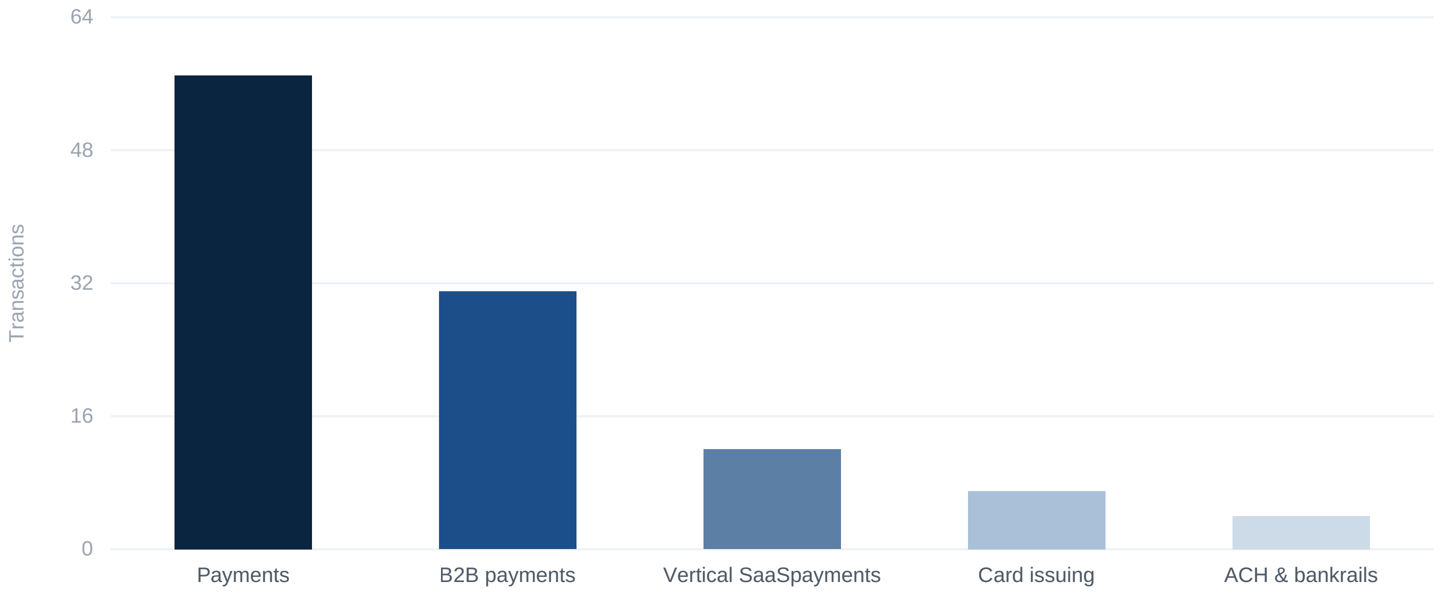
The firm's proprietary transaction record for this sector. 111 sourced payments transactions, each carrying a source URL and a confidence grade.

Payments cohort by sub-sector, transaction count




COHORT

**111**

Payments transactions of 489 in the whole index.

DISCLOSED CONSIDERATION

**36**

32% of the cohort published a price.

DISCLOSED MULTIPLE

**5**

Median 3.8x EV/Revenue, interquartile 3.1x to 4.7x.

STRATEGIC ACQUIRERS

**63 of 69**

Where acquirer type is classified. Sponsors are the exception.

> The index median of 3.8x sits above the 2.7x public median because it excludes the low-multiple listed processors and skews to the $5M to $300M band. A gap between the two sets is a finding about scale, not an error.

Source: Windsor Drake Exit Index, queried 17 August 2026.

# The Denominator Problem

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In payments more than any other fintech sub-sector, the argument in a process is about what the multiple is applied to, not what the multiple is.

## One asset, two published multiples

FIS described Global Payments' Issuer Solutions business at approximately **9x expected 2025 synergised EBITDA**. Global Payments described the same business at **12.3x adjusted EBITDA**. Both statements are accurate. The 37% difference is entirely in the denominator.

## Gross versus net revenue

Block reports gross bitcoin revenue and screens at 2.0x. On a net-revenue basis the business would screen very differently. A buyer who has to reconstruct the denominator will do so conservatively, and the discount for ambiguity is real.

## What a seller controls

The denominator is settled long before the multiple is negotiated. Segmenting fee revenue from interest and float, separating gross-basis lines, and publishing a consistent adjusted EBITDA bridge are all decisions available twelve months out and unavailable during diligence.

| 9x | 12.3x | 37% |
|---|---|---|
| BUYER'S STATED MULTIPLE | SELLER'S STATED MULTIPLE | DIFFERENCE, SAME ASSET |

Sources: FIS and Global Payments announcements, 17 April 2025; Windsor Drake analysis.

### Synergised EBITDA

Includes run-rate cost savings the buyer expects. Lowers the apparent multiple. Standard in scale consolidation.

### Adjusted EBITDA

Excludes one-time and non-cash items. Whose adjustments, and audited by whom, is the negotiation.

### Net revenue

In payments, revenue net of interchange and scheme fees. The only comparable basis across acquirers.

### The practical rule

Whoever defines the denominator sets the range. Arrive with yours defined and evidenced.

# Method and Exclusions

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## How the multiples were computed

**Enterprise value equals market capitalisation plus total debt less cash and short-term investments.**

- Market capitalisation as of **17 August 2026**.
- Balance sheet and trailing revenue from the most recent reported quarter.
- Adyen converted from euro at spot on the same date.
- No figure on this page is licensed from a data vendor.
- Every constituent is named so the work can be reproduced.

## Constituents carried with a flag

**Three constituents have a denominator that is not strictly comparable and are retained because excluding them would misrepresent the sector.**

- **Block**: gross bitcoin revenue inflates the denominator.
- **Global Payments**: Worldpay closed in January 2026, so trailing revenue is not like-for-like.
- **FIS**: same issue from the Issuer Solutions acquisition.
- Each is flagged rather than silently adjusted.
- Flagging beats excluding, which would shrink the set to 11.

## What is not in the set

**The set is listed payments companies with a meaningful revenue denominator. Several relevant businesses are private.**

- Stripe, Checkout.com, Worldpay and Nuvei are not listed.
- Private comparables are covered by the Exit Index, not by this screen.
- The screen is 14 named constituents, each reproducible from public data.
- A larger set would widen the range rather than narrow it.
- Stripe alone would sit far above the current ceiling.

## How the figures are held to a standard

**Every number in this deck traces to a named source or a reproducible computation.**

- Multiples computed from market data, never licensed.
- Transactions counted on disclosed consideration only.
- Constituent counts stated alongside every segment figure.
- Where buyer and seller published different multiples, both are shown.
- An institution and a date behind every third-party figure.

Source: Windsor Drake analysis of public market data, 17 August 2026. All 14 constituents named in the appendix.

# Moving Up the Loop: A 12 to 18 Month View

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Loop position is the largest lever on a payments multiple and the slowest to move. The work precedes the process.

## Establish position
**Months 0-3**

- Classify honestly against the Closed Loop Premium.
- Separate net revenue from gross-basis and pass-through lines.
- Quantify the share of revenue from owned relationships.
- Identify which revenue a buyer will treat as pass-through.

KEY MILESTONE
**A net-revenue bridge a buyer can audit**

## Move the economics
**Months 3-9**

- Test the PayFac decision: 70-90% retention against 30-50%.
- Grow the services layer ahead of core processing volume.
- Document contract terms, switching costs and renewal rates.
- Close the disclosure gaps diligence will find anyway.

KEY MILESTONE
**Revenue mix shifted toward retained economics**

## Define the denominator
**Months 9-15**

- Publish a consistent adjusted EBITDA bridge.
- Decide the synergised versus unsynergised framing in advance.
- Build the comparable set the seller will argue from.
- Map scale consolidators, networks and issuers separately.

KEY MILESTONE
**A defended denominator and a ranked buyer list**

## Run the process
**Months 15-18**

- Enter with the benchmark established rather than discovered.
- Hold competitive tension across all three buyer motives.
- Price against loop position, not the sector composite.
- Defend the denominator through diligence, not just LOI.

KEY MILESTONE
**Three buyer motives held in tension**

Source: Windsor Drake analysis of public market data, 17 August 2026. All 14 constituents named in the appendix.

# Payments Valuation Outlook

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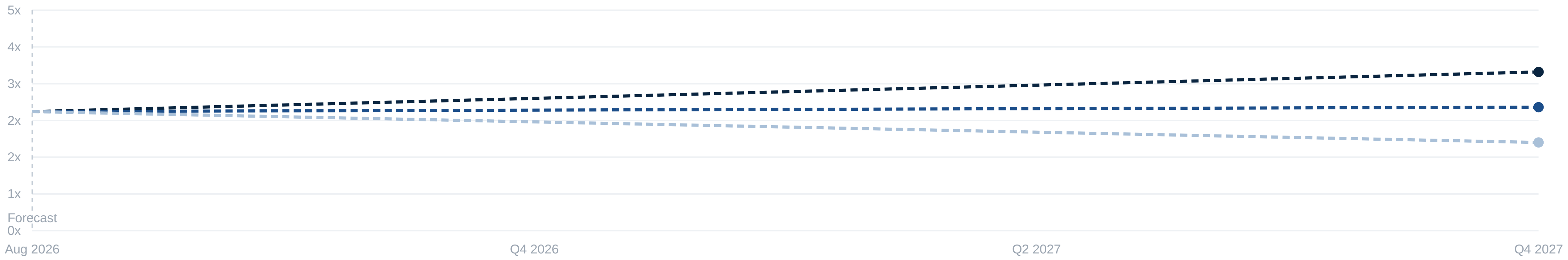
Composite EV/Revenue for the Windsor Drake payments comparable set. Scenarios are the firm's view; the anchor is computed from market data.




**Bull** 3.6x

**Key Drivers**

- Services mix shift re-rates the acquirers as software.
- Scale consolidation continues at published multiples.
- Open banking delays leave card economics intact longer.

CLOSED-LOOP AND SERVICES-HEAVY ASSETS SHOULD MOVE WHILE CONSOLIDATOR APPETITE IS DEMONSTRATED AND FUNDED.

**Base** 2.8x

**Key Drivers**

- Core acquiring keeps decelerating toward a 7% CAGR.
- Dispersion by loop position persists or widens.
- Deal count keeps falling while value holds.

POSITION AND DENOMINATOR DECIDE THE OUTCOME MORE THAN TIMING DOES. BUILD THE EVIDENCE AND RUN A TIGHT PROCESS.

**Bear** 2.0x

**Key Drivers**

- Take-rate compression accelerates through the ISV channel.
- Reg II litigation or PSR action resets scheme economics.
- Account-to-account rails arrive faster than expected.

OPEN-LOOP INTERMEDIARIES FACE THE MOST COMPRESSION. READINESS MATTERS MORE THAN PRICE DISCOVERY.

Source: Windsor Drake analysis of public market data, 17 August 2026. All 14 constituents named in the appendix.

# Case Study: The January 2026 Swap

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Global Payments and FIS restructured the payments landscape in a single simultaneous transaction, and published the arithmetic on both sides.

## What happened

On 17 April 2025 Global Payments agreed to acquire Worldpay for **$24.25 billion** while divesting its Issuer Solutions business to FIS for **$13.5 billion**. FIS simultaneously sold its 45% Worldpay stake to Global Payments for **$6.6 billion**. All three closed on 12 January 2026.

- Worldpay acquired at a disclosed **8.5x** adjusted EBITDA.
- Issuer Solutions sold at **9x** synergised per the buyer, **12.3x** adjusted per the seller.
- The Worldpay minority stake changed hands at **10.5x**.

## What it demonstrates

Two public companies, advised and audited, described the same assets using different denominators and arrived at multiples 37% apart.

- Neither disclosure is wrong. Both are basis-dependent.
- A minority stake priced above the control transaction.
- Consolidators have demonstrated appetite and funded capacity.

## The read for a founder

### The denominator is the negotiation

If two public companies can describe one asset 37% apart, a private seller without a defended basis has already lost the argument.

### Scale buyers are active and funded

Global Payments raised $7.7 billion of new debt to complete this. Appetite at the top of the market is demonstrated, not theoretical.

### Divestitures create windows

Consolidation at the top forces divestitures below it. Those assets need buyers, and so do their competitors.

### Published multiples are leverage

Payments sellers have something most fintech sellers do not: recent, disclosed, comparable transaction multiples.

Sources: Global Payments and FIS announcements, 17 April 2025 and 12 January 2026; SEC filings.

# What Changes Next

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Four developments a payments seller should account for when planning a process over the next twelve months.

## The ISV channel keeps taking the merchant

US ISV payments revenue reached $16 billion in 2025 from $6.5 billion in 2020, growing roughly three times as fast as traditional acquiring channels. US SME adoption of ISV solutions rose from 48% in 2022 to about 90%. The merchant relationship is migrating to software, and the multiple migrates with it.

## Services become the majority of acquirer revenue

BCG projects value-added services and embedded finance at 60% to 70% of US acquirer revenue by 2027, with core acquiring falling to 20% to 25%. An acquirer that has not made that shift will be valued on the shrinking half.

## The rail is being rebuilt before it is needed

Visa settles $3.5 billion annualised in stablecoins, Mastercard bought BVNK, J.P. Morgan's Kinexys has processed over $3 trillion. Genuine stablecoin payment volume is still only $390 billion. Incumbents are buying optionality, and paying for it.

| $16B | 90% | 70% |
|---|---|---|
| US ISV PAYMENTS REVENUE, 2025 | US SME ISV ADOPTION | PAYFAC REVENUE RETENTION, UPPER BOUND |

Sources: McKinsey Global Payments Report 2025; BCG merchant services research. See appendix.

### Regulatory pressure eased, not resolved

The UK abandoned its interim cross-border cap and the CFPB stayed open-banking compliance. Card economics have more runway than the 2024 consensus assumed.

### Deal count falling, value holding

542 payments deals in 2025 against 655 in 2024. Capital is concentrating on fewer, larger assets.

### Market intelligence

Consolidation at the top plus a migrating merchant relationship is the classic condition for the middle of a market to be bought rather than to compete.

### The practical implication

A payments asset that owns its merchant relationship and its denominator is scarce, and scarcity is priced.

# Sources

Every third-party institution whose data appears in this deck. House computation is separated from third-party figures throughout.

| Institution | Report / Source | Date |
|---|---|---|
| **McKinsey & Company** | *The 2025 Global Payments Report* | 2025-09 |
| **McKinsey & Company** | *Decoding ISV maturity: a global playbook* | 2026-01 |
| **McKinsey & Company** | *Stablecoins in payments: what the raw numbers miss* | 2026-02 |
| **McKinsey & Company** | *Financial services: M&A bounces back* | 2026-02 |
| **Boston Consulting Group** | *From Merchant Acquiring to Merchant Services* | 2025-02 |
| **KPMG International** | *Pulse of Fintech H2 2025* | 2026-02 |
| **Federal Reserve** | *Regulation II average debit interchange fee data* | 2025-12 |
| **Payment Systems Regulator (UK)** | *Card scheme and processing fees: action and decisions* | 2025-12 |
| **Bank for International Settlements** | *Annual Economic Report 2026, Chapter III* | 2026-06 |
| **Citigroup** | *Stablecoins 2030: Web3 to Wall Street* | 2025-09 |
| **Company filings and announcements** | *Global Payments, FIS, Visa, Mastercard, Capital One, J.P. Morgan* | 2026-08 |

# Methodology

How every figure in this deck was produced, and what was left out. Published so the analysis can be reproduced or disputed.

| Institution | Report / Source | Date |
| --- | --- | --- |
| **Federal Register / CFPB** | *Personal Financial Data Rights reconsideration* | 2025-08 |
| **European Parliament** | *PSD3 and Payment Services Regulation, legislative status* | 2026-02 |

## METHOD

### The comparable set

14 listed payments companies with a meaningful revenue denominator. Enterprise value equals market capitalisation plus total debt less cash and short-term investments, using market capitalisation as of 17 August 2026 and balance-sheet and trailing twelve month revenue from each company's most recently reported fiscal quarter. Adyen is converted from euro at spot on the same date.

### The Closed Loop Premium

A Windsor Drake framework. Constituents are grouped by whether the business controls the rules and both sides of its own economic loop, or intermediates a loop owned by others. Card networks, closed-loop spend platforms and full-stack acquirers form the first group; legacy processors, wallets, integrated software payments and issuing infrastructure form the second. The assignment is the firm's judgement and is published so it can be argued with.

### Disclosed transaction multiples

Every EBITDA multiple quoted in this deck is company-disclosed and attributed to the party that disclosed it. Where buyer and seller published different multiples for the same asset, both are shown. Windsor Drake does not reconcile them, because the difference is the point.

### What is not in this deck

Every figure is computed from primary market data or attributed to a named institution with a date. No licensed vendor multiples and no interpolated figures appear anywhere in this deck. The public screen covers listed constituents, and Exit Index statistics are counted on disclosed consideration only, so each can be reproduced from the record.

# Windsor Drake

WINDSOR DRAKE

## Sell-side M&A advisory

We advise technology founders on one side of the table only.

- Sell-side exclusively. No buy-side conflicts.
- Enterprise value **$5 million to $300 million**.
- Payments, fintech, SaaS, cybersecurity and AI.
- Process control, not listings.

## Proprietary data

The Windsor Drake Fintech Exit Index: 489 sourced transactions, 111 of them in payments.

- Each record carries a source URL and a confidence grade.
- Built continuously, not purchased.
- 26 sub-sectors classified.
- Updated every quarter.

## How we work

A defined buyer universe, a controlled timeline, and a seller who knows what the evidence supports before the first conversation.

- Denominator defined before the process, not during it.
- Buyer lists ranked by demonstrated appetite for the position.
- Competitive tension held to close.
- No fabricated numbers, in any document we produce.

## Contact

For a confidential valuation discussion on a specific business.

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